m/037/040 United States Department of the Interior BUREAU OF LAND MANAGEMENT SJ-84-1P SJ-81-1P Moab District San Juan Resource Area P.O. Box 7 Monticello, Utah 84535 DIVISION OF OIL GAS & MINING Mr. John Vanderpool UMETCO MINERALS Box 767 Nucla, CO 81424

AUG -7 1991

(U-069)

Dear Mr. Vanderpool:

This letter serves to document your August 7, 1991 telephone conversation with Ted McDougall of my staff concerning the recent compliance inspection conducted at UMETCO's Velvet and Rim Mine sites in San Juan County, Utah. As stated in conversation, the mine facilities were found to be maintained in generally good condition. However, the following minor compliance items were noted at the Rim Mine:

- Garbage has been placed in a shallow pit excavated in the waste rock 1. dump. According to the approved Plan of Operations, this material must be placed in containers and hauled to an approved landfill.
- The small building separated to General clean-up of the area is needed. 2. the south from the main mine facilities (Powder Magazine ?) has been severely damaged and corrugated tin sheets are being scattered by wind. A similar situation exists near residence facilities where material is scattered around.
- Mine water is being pumped directly to a water storage tank bypassing the water treatment plant. The water is flowing out the top of the tank and running across the access road. Since your Plan of Operations does not specifically mention disposal of water in this manner, we are concerned that water quality may not meet State of Utah or EPA standards. Is the disposal of mine water in this manner allowed under your NPDES Permit? At a minimum a culvert must be installed in the road where the water is ponding. If you intend to continue disposing of mine water through these means, an addendum to your Plan of Operations must be submitted.
- The mine layout map submitted with the original Plan of Operations does not accurately reflect the existing facilities (ie., powder magazine(s), office building, miscellaneous small buildings, temporary residence, ore and dump pads at the Humbug Portal). Please provide an updated map of all surface facilities.

In addition to the above compliance deficiencies at the Rim Mine, you discussed our concerns for the waste rock dump at the Velvet Mine. The dump extends south near the bottom of the large wash. The wash drains the majority of the mine property and is subject to large flood events. The drainage also flows a small amount of water from the water treatment facility upstream.

Your plans for future expansion of the dump toward the wash is difficult to determine from your Plan of Operations. Expansion of the dump closer to the wash could result in the toe of the dump becoming saturated or undercut thereby causing slope instability. There appears to be sufficient room for expansion of the dump to the southwest on the small point between the two drainages. This should meet your needs without jeopardizing the integrity of the dump or risking unnecessary damage to the environment. We ask that you amend your Plan of Operations by giving greater detail of your plans for the dump site.

Please correct all items of noncompliance within 30 days of receiving this letter and notify this office when the work is complete.

We appreciate your willingness to cooperate in this matter. If you have any questions please contact Ted McDougall of my staff at (801) 587-2141.

Sincerely yours,
Loled Deurn'
Area Manager

cc: MDO, U-065

Holland Shepherd, DOGM